

**MINUTES OF REGULAR MEETING
OPEN SESSION
November 15 and 16, 2010
ILLINOIS GAMING BOARD
CHICAGO, ILLINOIS**

NOTE: ITEMS IN **BOLDFACE PRINT** REFLECT OFFICIAL BOARD ACTIONS

On Monday, November 15, 2010 a Regular Meeting of the Illinois Gaming Board ("Board") was held on the 3rd floor at 160 N. LaSalle, Chicago, Illinois..

On Monday, November 15, 2010 at approximately 9:30 A.M. the following Board members were present: Chairman Jaffe, Members Charles Gardner, Eugene Winkler, Joseph Moore and James Sullivan. At 9:37 A.M. on Monday, November 15, 2010, Chairman Jaffe called the meeting to order. Pursuant to Section 2(c), paragraphs (1), (14) and (21) of the Open Meetings Act and Section 6(d) of the Riverboat gambling Act, member Gardner moved that **the Board retire to Closed Session to discuss the items listed under Closed Session on today's agenda and relating to the following subject matters:**

1. **Personnel matters;**
2. **Investigations concerning applicants and licensees; and**
3. **Closed session minutes.**

Member Winkler seconded the motion. The Board approved the motion unanimously by voice vote. The Board recessed at 11:00 A.M.

On Tuesday, November 16, 2010 the meeting reconvened at 11:05 A.M. Present were the following Board Members: Chairman Jaffe, Members Charles Gardner, Eugene Winkler, James Sullivan and Joseph Moore.

The Board remained in Closed Session until approximately 12:57 P.M. The Board recessed and went into open session at 1:08 P.M. Present were the following Board Members: Chairman Jaffe, Members Charles Gardner, Eugene Winkler, James Sullivan and Joseph Moore.

APPROVAL OF MINUTES

Member Gardner moved that **the Board approve the open session minutes of its Regular Meeting of October 19, 2010.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

BOARD MEMBER'S COMMENTS –

Member Moore commended Harrah's Joliet Casino on the diversity vendor fair that was held on November 11, 2010.

ADMINISTRATOR'S COMMENTS –

Administrator Ostrowski stated that the December Regular Board meeting will be held on December 14 and 15, 2010. The Administrator also commended Harrah's Joliet Casino on the diversity vendor fair that was held. He also stated that all bids for the RFP for the central communication system will be due by December 1, 2010.

The Administrator also stated that Western Money Systems, Inc. was removed from the agenda.

PUBLIC COMMENTARY –

- Marie Apke – Chief Operating Officer – Bensinger, DuPont Associates

Problem Gambling Services Sponsored by the Illinois Casino Gaming Association Services provided by Bensinger, DuPont & Associates

BDA provides Help lines in 11 states including Arizona, California, Connecticut, Illinois, Massachusetts, Minnesota, Mississippi, New Jersey, North Carolina, West Virginia, and Virginia.

Provides 3 major functions:

- distribute mailings to casino patrons;
- Problem gambling help line; and
- provide Call to Change program.

Problem Gambling Help Line (800-GAMBLER)

- Also sponsored by the Illinois Lottery & Illinois Department of Human Services;
- 40 masters' level counselors 24/7, Chicago based;
- in 2010 spoke to 1100 callers;
 - 75% = gambler callers
 - 68% = riverboat gambling as primary gambling preference
- refer to GA and to 10 state funded treatment programs.

Call to Change

- funding through the ICGA; program was piloted in 2005;
- telephone based case management program designed for gambler callers who either had difficulty getting to treatment or who were ambivalent about treatment;
- counselors conduct phone assessment and up to 5 sessions;
- does it work;
- conducted 207 one hour sessions in Illinois – January to October 2010; and
- 93% in quality assurance calls felt this helped them; 61% felt they had achieved their goals; either abstinence or reduction in time or \$ gambling.

OWNER LICENSEE ITEMS –

Items for Initial Consideration –

- MGM Resorts – Note Issuance

Mr. Paul Jenson appeared before the Board.

- Hollywood Casino – Aurora, Inc. Owner License Renewal

Mr. Rodney Phillipe appeared before the Board with a presentation for license renewal.

Items for Final Consideration –

- Rock Island Boatworks, Inc – Transfer of Shares

Based on a review of staff’s investigation and recommendation Member Moore **moved that Pursuant to Section 3000.230(d), (1), (D) of the Adopted Rules, the Board approve the transfer of 92,869 shares of RIB from the D. James Jumer Trust as follows:**

26,377 shares to James F. Jumer

26,377 shares to Sylvia M. Wicks

26,377 shares to John Albert Jumer

13,738 shares to the Family Trust

Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Midwest Gaming & Entertainment, Inc. – Ownership approval

Based on a review of Staff’s investigation and recommendation, Member Sullivan moved **to approve the following individuals, each of whom is a “minority person” or “female” as defined under the Illinois Riverboat Gambling Act and who intend to indirectly own interests in Midwest Gaming & Entertainment, LLC through Casino Investors, LLC.**

1. Jeanne Rogers Sainati; and

2. David Ja Koo.

Further Member Sullivan moved **that pursuant to Section 3000.235 of the Board’s Adopted Rules to approve the corresponding redemption of interests in Midwest Gaming Holdings, LLC from CVG Chicago Gaming, LLC and High Plains**

Gaming, LLC and the issuance of interests to Casino Investors, LLC consistent with the financing documents previously provided to the Board. Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Elgin Riverboat Resort – RBG LP Phase 1 Restructuring Transaction

Based on a review of staff's investigation and recommendation and pursuant to Section 3000.230(d),(1),(D) of the Adopted Rules, Member Winkler moved that **the Board approve Elgin Riverboat Resort's request for approval of the first phase of the RBG LP restructuring.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Eric D. Jokisch, Level 1 – Southern Illinois Riverboat Casino Cruises, Inc. – Internal Audit Manager

Based on staff's investigation and recommendation, Member Gardner moved that **the Board approve Eric D. Jokisch as an Occupational Licensee Level 1 in the position of Internal Audit Manager for Southern Illinois Riverboat Casino Cruises, Inc., in Metropolis, Illinois.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

- Mark A. Osterhaus, Level 1 – Southern Illinois Riverboat Casino Cruises, Inc. – VP and General Manager

Based on staff's investigation and recommendation, Member Moore moved that **the Board approve Mark A. Osterhaus as an Occupational Licensee Level 1 in the position of Vice President and General Manager for Southern Illinois Riverboat Casino Cruises, Inc., in Metropolis, Illinois.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

- Jeanie Marie Glynne, Level 1- Des Plaines Development Limited Partnership – Senior Internal Auditor

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board approve Jeanie Marie Glynne as an Occupational Licensee Level 1 in the position of Senior Internal Auditor for Des Plaines Development Limited Partnership in Joliet, Illinois.** Member Winkler seconded the motion. The Board approved the motion unanimously by roll call vote.

SUPPLIER LICENSEE ITEM –

- H. Betti Industries, Inc., d/b/a Betson Enterprises – New Supplier

Based on a review of staff's investigation and recommendation, Member Winkler moved that **the Board approve H. Betti Industries, Inc., d/b/a Betson Enterprises for a supplier's license, effective November 16, 2010 for a period of one (1) year, expiring in November, 2011.**

Staff further recommends **the following be designated and approved as Key Persons of H. Betti Industries, Inc.:**

- 1. Chief Executive Officer;**
- 2. President;**
- 3. Chief Operating Officer**
- 4. Peter Betti;**
- 5. Robert Betti**
- 6. Joseph Betti; and**
- 7. Robert Geschine.**

Member Winkler further moved that H. Betti Industries, Inc., d/b/a Betson Enterprises Supplier's list include the following:

- 1. LCD Monitors;**
- 2. Bill Validators;**
- 3. LED/CCFL;**
- 4. Monitors; and**
- 5. Touchscreens.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

OCCUPATIONAL LICENSES APPROVALS & DENIALS – LEVEL 2s & 3s –

- Based on staff's investigation and recommendation, Member Sullivan moved **that the Board approve 40 applications for an Occupational License, Level 2, and 82 applications for an Occupational License, Level 3.**

Further, Member Gardner moved that **the Board direct the Administrator to issue a Notice of Denial to the following individuals who received notice that staff intended to recommend denial and either did not respond or provide additional information to rebut the recommendation.**

- 1. Maurice D. Hughes;**
- 2. Sterling D. Allen; and**
- 3. Edward T. Harris.**

Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

PROPOSED COMPLAINTS AND DISCIPLINARY ACTIONS -

- Robert C. Clark – Occupational Licensee

Based on staff's investigation and recommendation, Member Moore move that **the Board issue a Disciplinary Complaint against Robert C. Clark, an occupational licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Moore moved that **the Board fine Robert C. Clark \$500.00. Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Dina Nawara – Occupational Licensee

Based on staff's investigation and recommendation, Member Sullivan moved that **the Board issue a Disciplinary Complaint against Dina Nawara, an occupational licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Sullivan moved that **the Board fine Dina Nawara \$250.00 Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Gardner seconded the motion. The Board approved the motion unanimously by roll call vote.

- Tracy Marie Galatzer – Occupational Licensee

Based on staff's investigation and recommendation, Member Winkler moved that **the Board issue a Disciplinary Complaint against Tracy Marie Galatzer, an occupational licensee, for failing to disclose all material changes in information to the Board.**

Further, Member Winkler moved that **the Board fine Tracy Marie Galatzer \$250.00 Said fine not to be paid directly or indirectly by the Owner Licensee and said action to take effect twenty-one (21) days from the date of service of the complaint unless the licensee files an Answer within that time period.** Member Sullivan seconded the motion. The Board approved the motion unanimously by roll call vote.

At 1:56 P.M. Member Winkler motioned to adjourn and Member Gardner seconded the motion. All Members voted in favor of adjournment.

Respectfully submitted,

Mary C. Boruta
Secretary to the Administrator